\section*{FINANCIAL TIMES \\ 

Kohl reveals plan
for G7 expansion
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to admit Russia



 UK banks make provision for their Eurotunnel debt

 the Anglo-french operator of the Channel tunn
when they report full - year results. Page 15 EU pished on economie growth: The US has
 : their budgeit defecitit noededed under pland for a single
European currency. Page 2 mitchell warns of IRA threatr, Members of
the rrish Repoblican Arry might return to terror-
ism if they were not drawn into the democratic pro ism if they were not drawn into the democraticic pro.
cess, waried lorner US Senator George Mitchell. cess, warned former US Senator Geerge Mitchell,
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sioning of arms in Northern Ireland. Page 5 Quake toll oxpected to rise Officials China
said the tion from an earthquake in the Ljiang region of China, 2000knn (1.300 mijes) south-west of
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as rescuers reachedremy Itochu, one of Japan's bigestestradiog companies,
plans to move into the Brfitst steal industry by set. pings up a distribution centre in the west Midlayds
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 wTV Europe, the music television channel
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 Airline fear over free trade? The dirline.
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Gebacom, the telecommnonications đivlsion of take a 23.9 per cent stake in 2 consortium sot $u$ put to
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 Bahrain police arrest 44: Authortties in
Bahrain detained 41 miore people on charges of ing, arson, and sabouge, intensifylng a crackkown for the past 25 manths. Page 4


Freoze hits Forrida: Arcic weather spreà io
traditionally warmer areas of the US. Sub-zero tem.

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German state premiers vow to oppose 'solidarity' tax cut

By Woilogng Malnchau in Frankitart German state premiers have

vowed. to resist plams by the
Bonn govermment to cut the toil.



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 Frankfurt at tha weekand, has
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## UK to urge freer trade between <br> Europe and US

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Beijing tightens rules on access to Internet The chinese governme



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of ninformation, state council, Chinesse cabinet, issued an edict
last month giving Xinhana exclus
 Coresp news agencles.
 fecti" securty control systems.
This appears to be an attempt to
narrow the criteria for access to interactive networks.
The new rules comincide the temporary suspension of new
subscriptions to Chinanet the Socal gatanay to to the Internet. There had been heapy demand
trom tindividuals for Clinanet
 wind in China. Senior officials
have been stressing the need to
uphold commanist orthodoxy. Continned on Page 14
Media Futures, Fage

Kemper Investment Management is delighted to announce it is now part of the Zurich Insurance Group and has chonged its name to

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## Washington urges EU to promote growth



Maccanico works on cabinet
Italy edges towards new government

| delicate task of forming ＇s 55th post－war govern－ is expected to take all weak． <br> Ir Antonio Maccanico，the ear－old premier designate， uld need another six or n days to draw up his cabi－ and gain broad－hased back for a government pro－ mme，This followed iminary contacts with rep－ ntatives of the 26 parties in iament． <br> r Maccanico，who was ed to form the government Thursday，has exuded a tic comments made so far． has also received strong of the main political par－ all extolling his virtues as gotiator and man of integ． Nevertheless he is pro－ iogsion that he needs at t all this week underlined bow difficult a task he <br> Maccanico，who ran the e minister＇s office under <br> Ciampi government <br> 3－94）．is not an MP，nor is <br> lirectly linked to any of the partlies．This neutral－ <br> was central to him being <br> n the brief to head the new ermment，which is pledged carry ont a reform of the constitution． <br> is week he will be tackling problems－one concerns other the government pro－ of confidence in parlia－ |
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EUROPEAN NEWS：DGEEST Economy fears on Bosnia peace

 Javier Solana，Nato seccretaing－general，waried that the Dayte peaca accorra would amopit to mutp more that the most． Arconciliation and reconstructioni do not succeeed A delegation of sixix DS senatois attending the meeting after Lieberman said the groum had been niost troubled at the slow． pace of woik
Carl BMot
O．Mr Warren
 ninging accused war crimimals to justice．


Ukraine miners stay out



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## Miot named AFP president




 govermient critic csed Mry Fremy＇s lackunustre management prime minister Alain Juppe＇s political problems last year． cancididete and on Saturdaga，won sifficieient backing to succeed
Mr Fleury．AFP．prides itself on being the world＇s himi largest Mr Feery．AFP，prides itself on being the world＇s thind


Yilmaz seeks Turkish coalition Mr Mespa Yimaz，Jeader of Turkey＇s conservative Motheriand
party，will today beegin contactis with political leaders fin an ．
 To form a governments after two weeks of negotiations．
Mtr Yimaz is the third party chief to tiv to organise coailition atter inconclusive general leections to December．




Alia accused of genocide
A court in Tirana yesterdiay ordered former Albanian
president Mr Romiz Alia to remanain im puison，ffter bis arrest

Mr Alia was the country＇s first demorratically elected president in 1991，and succeeded Albania＇s longtime dictator
 October last year，designed to prosecute offences committe
duruing Albania＇s 45 jears of conmunist rule．Opposition leaders ssarume genocial law in sm anct or pooitical vengeance
on the part of the ruling Democratic party and President Sali Berisha，to hurit their former communuist political opponents
before general elections this year．Marianne Sulivacm Tirana
Poll boost for Spanish right










Red barons try to roll back privatisation


| week to review the legality of pirvatisation The first casu－ alty of the committee is hikely to be last autumn＇s hasty and controversial shares－for－loans privatisation progiamxa， already ruled invalid by tha already ruled inva Ministry of Justice． <br> For western investors and Russia＇s bonrgeoisie．these chalienges to pivatisation are tha collapse of communism． <br> The conflict cannot be reduced to a simple struiggle between free market forcess and ne－cosumumists． Even leadin <br> Evon leading Russian instances，the red directors have a moral and legal pofit because of the corrupt and uncompetive property was transferred to private hands． Bnt the messy character of Russia＇s privatisation process begins it wim be very difflcult for courts and investors to determina where it ends． |
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## INTERNATIONAL PRESS REVIEW｜

## Brawler Keating＇s blows land wide of mark










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For centuries，man－ kind has looked to science and technology to create heaven on earth．But our efforts have not always agreed with Mother Earth We have come to realise that progress in one area can often be at the expense of another．

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 the problems．So we ensure that our research－ ers in chemistry，precious metais and pharma－ ceuticals work closely together to appreciate each other＇s viewpoint．To help each other weigh the opportunities for mankind against the risk to our environment．

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[^0]solutions go a long way to ensuring that not only mankind but our water and soil，too．are under less pressure．

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 down－to－earth solutions．
## Republicans retreat from their revolution

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## INTERNATONAL NEWS DIGEST

Koreans' \$5bn for S E Asia










Chinese quake kills 240





Arafat plea over border closures



 rom the closures amounted to $\$ 0 \mathrm{~m}$ a day, a greater amount
 Perez, the Irraeli prime mimister, that the Palessinian claim to
East Jerusalem for its capital was only ${ }^{\text {a a dream". He said the }}$ gettleace quickreementy not later the tharustemem quaestion should be

## Tajiks fired as rebels advance

 Taildstan's president Iried officials yesterday in a bid to his first deputy prime minister, chief of staft and the leader of southern recei Russia M propped up by the Russian army since it woo a 1992 .esc civil war against a loose coaiition of democratic and lishamic groupe power led uprisisgs late last montt to demand he fre corruptoffficials and inprove he economy in the Central Asian Antion
of 5 m people. Dusharbe

Jurek Martin finds hardline US reformers are learning bitter congressional truths






Michela Wrong reports on an enterprising community six years after it was allowed to return


## Crackdown on Shia dissidents leads to 41 further arrests

## More detained in Bahrain unrest





## Asian women get

Airlines warned worst labour deal over free trade

| By Frances Wilitariss in Geneva <br> Asian women are now the fastest-growing eronp of and one of the most exploited and abused, according to a report by the International lished today. <br> Abont 1.5m Asian women are working abroad, many in slave-ike conditions in domes tic service or the "entertainGach year <br> Gach year some $\mathbf{8 0 0 , 0 0 0}$ women leave their home counPhilippines, Sri Lanka and Thailand, and demand for the report notes. <br> - "Were it not for illegal rearuitment agencies, overseas power suppliers and a host of iaries, Asian labour migration would not have reached such a massive scale," tbe ILO |
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Japanese company plans steel industry push

## lans

| One of Japan's biggest trading companies is moving into the British distribation centre in the English sadands to supply the motor industry. <br> The plan by Itochu signals a further pustribution compandes Lnto Britain on the back of big investments in the vehicle industry by Honda, Toyota and Nissan. It is beiieved that Itochu, arracing company with interest in trontes, has been encouraged to invest |
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- help in the recruitment and training of new employees
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"Johnson Controls values empowering our people to continuously improve what we do. Merseyside TEC provided a package of assistance that enabled us to recruit our team from a broad base of skills within the local unemployed community; and then to train it in the world class manufacturing tools that we use. Mr Steve Spratt
Johnson Controls, Speke JIT Team



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Stadium heads for market



Germans buy City
HQ of Lloyd's


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Argentaria names co-ordinator for global share offer
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## Norcros to separate planned sales



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600 Group director resigns

## Positive reaction to slimming

Norcros's restructuring is almost complete. Patrick Harverson reports




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| Tomkinins (UK) | Gates Pubber (US) | Auto \& industrial Components | 8927m | Stock + debt agreament |
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## Global Investor／Philip Coggan

## Why policymakers should take note





All eyes focus on gold





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## LEGAL NOTICES


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## APPOINTMENTS ADVERTISING




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years in the iseo．94 period which prected detrong ect－ than average for the stock mari．
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Italy，however，thay were． The problen for investors at its fastest at two points：
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atively buoyant performance of stock markets rovemi the worlid
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EQUITY MARKETS: This Week

EMERGING MARKETSE This Week
The Emerging Investor / John Barbam in Ankara
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## Market watches German data

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## Trasembinted Index



WORLD BOND MARKETS：This Week

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## Trokro

Philippine bonds

## Overseas interest in domestic debt mounts

 The Government of Ghana，as part of is telecommunications sector reform
ram，announces the commencement of a compenitive process to select eligible program，announces the commencement of a comperitive process to selec
companies or consortia interested in the following two invesment opportunities （I）the acquisition of a strategic equity interest of up to $30 \%$ and management
竍 contro of of Ghan
of Ghana：and （II）the purchase of a Second Natiooal Operating License（＂SNO＂）for the
provision of fixed celcocommumications services nationwide．
 The Government of Ghana，acting through the Ministry of Transport and
Communications．has engaged CS First Bostoo Corporation and EEobank Gaman Limitited to act as its exclusive financial advisors in all aspects of this selection and sale processs．
Expresions of intersst
Bhould be submined to either Mr Adebayo Alade－Loba CS Frist
Boston Cow Expressions of interest should be submitred to either Mr．Adebayo Alade－Lobs，CS First
Boston Copporation or R．Nyark．．Ecobank Giana Limited a the respecive addresces
below，by po later than March 1，1996．Iqquiries may be directed to any of the following Boston Corporation
below by Dolaer
representatives：



\section*{| $\substack{\text { The Financibal Times } \\ \text { plans to } \\ \text { opublish }}$ |
| :---: |}



This survey wisl focus on areas such as research for potential
franchises，explores sources of funding valiable and highlights the speclalist help avallable．

For more information， please contact

Lesley Sumner Te：+44 （0） 1718733308 Fax：+44 （0） 1718733064

FT
Surveys


| mercial securities is also expected to rise． <br> ＂Abort anequartar of our |
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| local portsolio is in Phil |
| goverment T－bills，＂says Mr |
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| （Cancer ata）．Whant we need |
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Syndicated loans

## Recent successes highlight liquidity

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## Pey+inists

RINANCLAL TIMES MONDAY FEBR UARY 51996
CURRENCIES AND MONEY





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## BUSINESSES FOR SALE

Appear in the Financial Times
on Tuesdays, Fridays and Saturdays. or furtber information or to advertise
in this section please contact in mis section please contact Karl Loynton on +4401718734780 or
Lesley Sumner on +4401718733308 ! I I


GT BIOTECHNOLOGY \& HEALTH FUND

Notice of Extraordinary General Meeting

 1. To receive the report of the auditor to the liquidation. 2. To grant discherge to the liquicatoror and the audior to 3. To grant discharge to the directors in office until the dare 3. To grant fisch
4. To decide the close of the fiquidation of the Fund 5. To decide to keeps the records and books of the Fund for a
period of 5 yevars at the offices of Banque intemationale a
Luxembourg. Luxembourg.
 lions to be held tor the benefit of the persons enitiled
Resolutions will be passed with the consent of a simple
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Banque
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GT BIOTECHNOLOGY \& HEALTH FUND (in liquidation)




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## BUSINESS TRAVEI

## Crashing computer raises spectre of worse <br> memis crandal a crocated mist

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records, its ono 0 oner experiencing records, its 9020 E experiencing
seven rashos (or woutagesc.
Americans call them), last year,

Ancient air traffic control technology at Chicago O'Hare is causing concern, says Amon Cohen


and safest atispace in the world" as vicepresident of SHexs, an avia- a decrease in safety marsins. The
Recent "outages" had been of tion consoltancy, agrees there is not whole mintrastructure is bady in


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The new Club World larder. Corporate raiders welcome.


Although you may fly on our schedule your appetite may be on another. That's why we've intoduced raid-the-larder, full of treats and goodies for non-stop nibbling. Just one of the many changes we've made on new Club World for the hungry, young executive.




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 tial Parthers are owner-managers, so they have a lot of independence.
 setors.
 Slanderd 2 on subsidiary umdertakings. Also, the Big Six smms recrui
 Perraps there it something else?
You could be an actuary.


## Vive la musique Française!




|  |
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| Paris: All music radio stations in France now have to comply with a requirement that 40 per cent of the songs they play are French, reports Andrew Jack <br> nd nurture domestic talent. It ays that the market is strongly nfluenced hy what is hroadcast: bat people hear, they then go ut and huy. And it complains |
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 un Radio has boosted the num-
of hours it dedicates to calli in shows. It wants to challeage its
definition as a music station deinition as a muisic station
thereby reducing the amount of
time lt must dedicate to playioig sones. ${ }_{\text {FG }}$ 98.2, which specialises 血 decided to play fexwer songs, hith words, preferring music using The battle. against the quota
legislation may have been lost. tout
 claim. ALter all, NRJ has reluctantis


## PEOPLE

## McCarthy called across the Pacific

Gerard Baker meets the man central to BZW's investment banking strategy


Pan Am takes cut-price route back into the skies
Would you fly Pan American World
Airways if given the choice? Martin Shugrue thinks the answer is yes.
Onae Pan Am was the Ilaghip of
 the Lockerbie disaster, and dinally.
im 1991, hank ruptyy and collapse,
writes Rdichard Tomkinis in New writes Richard Tomkins in New
York
Hardy a recipe for esploiting Hardy a recipe for exploiting
goodriy hut Shurrue thinks
otherwise otherwise. Last week found
trumpeting his plans for relaunghing the airline as a
cut-price porator, suing its
"immediate and favourahle"
cut-price operator, using its
"immediate and favourahle" name

recoguition "Pan Am is the hest.
most well-known name in the
 Whatever the claim's merits,
Shurure. 5 .is probatis somexhat hiased. He spent 2 y years with the finishing as esecrutive
 demanded bis head as the price for After a spell as procidessions. of
Continental Airlines, where he clastined with Airlines, where he Sbugrue served as count apporinted
trustee of the bankrupt Eastern Air trustee of the bankrupt Eastern Air
Lines. He shut it down after a few monthst tried to get $1 t$ tying again,
gave up. and coliected sim in fees. gave up, and collected $54 m$ in fees.
Now, he is investing some of his nest emz in ylanst to rexurret Pan Anl as a domestic carrier. Shugrue
believes the airine will succeed because tite sarume wost will succued
to offer bargain
hasement to offer bargain hasement faras.
which sound a safer bet than relying on the name.
Succession and the banana family When is Neil McCam, chairman of
Fytivesthe Dublinblased fruit
trader and Europe's Larget banana
FILM AND VIDEO

taco western El Adariachi
II you prefer something more memory of Audrey Hepburn
intoricating in Wuliam Wyle's 1953

 chat and mulliple sellfrevelation,
Agalesssens sums up the three
best videos. Roman Hotiday revives MUSIC

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 (Deca) a double CD splitit into
"Tranquiky Solltude and Melan-
Choly and Dreams, Fantasy and

trader. going to retire? It is a




 partuersbip with the Whaward
Istands.
Howerer, the group's market capitalisation of froup sover market
has failed to reflect to th topressive growth Thrree years asp it turned down a
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hanana hasimess, and its shares hanana husiness, and its shares
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is preparing to tow ort.
Fytres' eforts to bring in Fryparing to bow ont
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outside
suave not beena a great success, and the compan's's future
 Last November, David Mrcaun,
a solicititr, took over from bis
father as chief executive. He runs

the bosiness while elder brother
Carl, 42 , is the deal-maker and is expocted to take over as chairman.
thonght iminin remams uclear.
Dnring the Geest takeover, the


## French 'governor'

 faces rough ride Jéróme Meyssonnier, head ofBanqueve La Henin, part of the Suez group, faces a rough ride as he
takes $u p$ the reins of Credit Foncier lakes up the reins of Cresidit Fonciee
de France, the specialist property
instiution, writes Andrew Jack in Paris
He becames "governor" of an
organisation which is entirely in organisation which is entirely in
the private sector and owned by stock market investors. Yet becau Foncier is a specialist financial
institution under French haw,
Meyssonnier's Meyssomiivers ser Fpointment lion
determis determined hy the government
He takes charge of armun which
has seen its share price fall by


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## Russian gamble at La Scala

Galina Gorchakova proved to demanding Puccini, reports Andrew Clark

## PP

 uccini and Prokofiev, by the time 1 heard ber a fou der






##  <br> perfominabounhan lian London Symphony Orahestra. The connucte Dy Nilonolas Dood. programme inctudes programme incturess Homburg, Convuistacor, Grand Hotel, Pale, and other A works: 7.30 mm F Feb <br>  - The Carcmen Choir with Mark Wirde atien ban basiamsson, tenor Trivor Craddock perform Do Victora's Magnum Mystenium, Morteverdi's Mass (1642) anca Schitz's St DANGE Royal Opera House - Covent  The Sleeping Beauity: a Cchoreograpty by Petip to mustic by Tchaicovshy, periormed by The Royal Ballet. Soloists include Mivako Yoshida a | Yoshida and Irrok Mukhamedov; |
| :--- |
| $7.30 \mathrm{Pm} \mathrm{m}_{\text {; }}$ Feb | OPERA <br> London Colisoum That $171-8360111$ - Dia Zauberfibte: by Mozart in  Include lan Bostridge, Janice Watson and Peter Snipp; 7.30pm; Febs <br> L LUXEMBOURG <br> DANGE Theatre Murnicipal Tel: 352-470895 <br>  <br>  musck by Martinu, and the Ohoreographies De Triana a Sevilla

Nigel Andrews remembers the demotic athleticism of the world's most famous musical star

## Gene Kelly - the great all-rounder who set the pace

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 Kar

 Lon attencant and ditch-digger
amonon othere jobss before his Broad
way debut in 1 Noss. No wonder we abing of Astarre as all pelle epoque
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with conductor Daventemporain:

8pm: Feb 8 chatiot
Thestrere du
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- SEATTLE

EXHIBMON
Seattle Art Museum
Tel $1-206-625-9900$
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Dove, Marsclen Hartley, John Marin,


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modemism and the Amercan
modemism anc the American
landscape: from Feb 8 to May 5

## VIENNA

Musikveroin Tel: 43-1-5058881

- Pitssburgh Symphony Orchestra:
viollinist Jutilian Rachllin perform
Sibelius' Finlandia and Violin
Orchestra; 7.30 pm Feb 7,8
OPERA
Wherer Stanatsopor
43-1-514442960
- 11 Barbiere di Sisviglata by Rossini.

Conducted by Jan Latham-Konig


uncoumity
Affter bis M M M heyday Kelly's
career diversified into straight act.







 fangous musical the world's most star sing the
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A decision to boost spending ahead of the election could deal a fatal blow to
reformers in Russia reformers in Russ

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We have more destinations
in Africa than any other
international carrier,
offering gateways to
the four corners of the earth
Pioneering Aviation in Africa
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links ASMARA to the world
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Iberia: state has same right as private sector to rescue 'subsidiary'

Attention on French deficit and pessimism about Emu are overdone


EU countries must end trade discrimination against $S$ Africa


## Personal View • Anatoly Chubais

## Down the rouble corridor

LETTERS TOTHEEDTTOR. Number One Southwark Bridge, London GEl 9HL




## Forbes' funds

- 


## TV sport

| Whise sport is it anyway? The question of television rights to sporting events is pro the UK's | wrong to remove it entirely to the private sector. But it is also essen tial to recognise that the old world |
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|  | of free sports programmes has |
| universal access to |  |
| events has much to. be said for it |  |
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## - FINANCIAL TIMES <br> Number One Southwark Bndge, London SE1 9HL Monday February 51996 <br> Nato recovers its morale




## A revolution at your fingertips

The bill deregulating US telecoms means profound changes for the providers of services and for consumers, says Tony Jackson


## OBSERVER


the economics ministry, bas again
been pushed out to March
Rath
 generous time allocation. the
state's rule-bending may simply encourage more of the same Frori

Dead serious
Eat your heart out. Pirelli. In

 Month", it tiveck of wister the Oklahomn City boumbing on the
cover. The scene for January was cover. The scene for January wa earthquake, while this month's
treat is compurem simulation of
the Simpson-Goldman murier. the Simpson-Goldman marder.
Where other calendars mark. high days and holidays. Failure
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## 100 years ago

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tascimation which many of the soc-called "TTusts" - Sugar. Lead.
Cattleededing. National Cordage
etc. - have had for the shrewd etce - have had for the shrewd Pernvin stocks Letter to the Editor: Referning to
the several articles of late it your valaable paper re Perruvian
securtites, surely this country cannot remain bldajen and unexplored for ever. It is ich in tinto the earth yet:

Germany and France want G7 to add Russia

| By Peter Norman and E Mortimer in Murich |
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## continued from Page 1

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## Japan's 'flowers of

 the office' stemmed by staff cutbacks derivatives market

## By Simon London, Property Correspondent, in London

Some of the UK's largest invest-
ment institutions are plamning to
mant launch a property derivatives
market in an antempt to pot com-
mercial propert on an equal
footing with other financial footing with other financial
assets.
The group. whice inclndes AMP Asset Management, Her-
mes. Mhe Prudenial, Legal
General, ESN Pensions Mange
ment, Norwich Union, Scotish
Anicale Standerd



## Internet

Continued from Page
and railing against "unhealthy
tendencles" in society.
China's propaganda chiefs have made no attempt to hide their
concern abont opportunitites pro-
vided by intergt vided by international computer networks for the widespread dis
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which has been a core policy of commuist rule. "Neitber organisations $n$
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## Investors plan UK property

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[^0]:    Furthermore，our wide range of enviorn－ mental protection

